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SUBJECT: CRITICISM CAUSES BRAZILIAN GOVERNMENT TO RETHINK  
PROPOSED JOURNALISM RULES

REF: A. BRASILIA 1987

[1](#)B. BRASILIA 2052

[1](#)1. (SBU) SUMMARY. The Lula administration last week proposed a journalism law that created a stir in the Brazilian press. The Journalism Council bill would create a national oversight body with authorities to regulate and discipline the press. It created such controversy --including charges of "Stalinism" from some overwrought editorialists-- that congressional leaders quickly pushed it to the back burner. The bill may be the fruit of some residual statist tendencies in the Workers' Party (PT), but it also reflects a GoB frustration with sensationalism and inaccuracies in the press. It is probably not coincidental that it was announced in the middle of two controversies involving questionable journalistic ethics: the Banestado money-laundering scandal and a journalist's confession that a 1993 story that led to the expulsion of a Federal Deputy contained errors. Lula's advisors may give the journalism bill token support, but it seems unlikely to come to a vote in Congress this year, if ever. A second controversial measure, an audiovisual bill to regulate film and TV, is still being drafted and has not been sent to Congress. END SUMMARY.

JOURNALISM BILL SENT TO CONGRESS

[1](#)2. (SBU) Since 1967 and the dictatorship era, Brazil's Labor Ministry has been nominally responsible for overseeing the profession of journalism but has done nothing more than maintain a registry of professional journalists. The National Journalists Federation (FENAJ) claims to represent 30,000 journalists from 31 unions but does not provide oversight. (FENAJ is loosely associated with President Lula's Workers' Party (PT) and most of its directors are PT members.) The Lula administration saw a gap in this structure: a lack of legal authority to oversee and regulate the field. So, with FENAJ's input, the Labor Ministry drafted a bill to create a Federal Journalism Council (CFJ) and five subordinate Regional Councils (CRJs). Lula sent the bill to Congress on August 6, and as soon as the text became public it sparked controversy. Under the bill's rules, journalists would have to register and pay dues to the councils and would elect the councils' members. The councils would create and enforce an ethics code, oversee the profession, and discipline journalists. Lula's Press Secretary, Ricardo Kotscho, noted that the bill is

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"negotiable" and was designed to "open the debate". FENAJ announced that "the CFJ is an essential instrument for the profession" and would "protect journalists from manipulation" by private interests.

MANY JOURNALISTS ARE RESOLUTELY OPPOSED

[1](#)3. (SBU) Journalists were quick to react. The Brazilian Press Association (ABI) and the major newspapers railed against the bill. An editorial in conservative "Estado de Sao Paulo" called it an "authoritarian offensive" and noted that the GoB is "showing its dictatorial face". Popular TV newscaster Boris Casoy called the bill "abominable" and an "obvious attempt to control journalists and the press". The international press picked up comments in "Folha de Sao Paulo" that the bill is "authoritarian" and "Stalinist" and recalled last May's episode when President Lula threatened to expel a New York Times reporter for an unflattering article. The circle of critics eventually expanded to include leading political and intellectual figures within the PT party and across the ideological spectrum.

CONGRESS WILL MOVE VERY SLOWLY

[1](#)4. (SBU) The bill is now in the Chamber of Deputies, where it faces a slow march through three committees before going to the floor. In the unlikely event it passes the Chamber, it would face a similar trek through the Senate. The PT Chairman of the Chamber's Labor Committee said he favored the creation of the Journalism Council if it is done in a "democratic spirit", adding that national councils already exist for lawyers and doctors. But Chamber Speaker Joao

Paulo Cunha announced that he will allow a "full debate", i.e., the bill will move very slowly. Cunha noted that the administration could have saved itself the trouble, since a similar bill, sponsored by Deputy Celso Russomanno (PP-SP), has been pending in the Chamber since 2002.

15. (SBU) The opposition PSDB and PFL parties immediately pounced. Jose Carlos Aleluia, the PFL's floor leader, could be seen in Congress last week toting a book with Hitler's face on the cover. He told the press, "I hope that President Lula is not taking the same path as Stalin and Hitler. The bill is a clear demonstration of the authoritarian roots of the government. The press should oversee the government, and not vice versa." Aleluia promises to use parliamentary tactics to block the bill. Sao Paulo Governor Geraldo Alckmin (PSDB) added, "Sometimes this government has an authoritarian relapse."

#### GOB'S LATENT STATIST TENDENCIES

16. (SBU) The administration did not help its own cause when Lula's Communications Secretary Luiz Gushiken announced that freedom of the press is "not absolute". This is not the first time Gushiken has criticized the press: in April he had to retract a comment that the press ought to be focused on a "positive agenda" rather than "fomenting discord", and in May he suggested that the critical New York Times reporter was working for the US government. Lula's Chief of Staff Jose Dirceu struck back at critics in remarks before an August 14 PT party gathering, calling opponents "terrorists" seeking to "limit the debate by shouting". He also slammed this week's edition of VEJA magazine that has a cover with an ominous PT party eyeball over the title 'Authoritarian Temptation'. Dirceu said, "we struggled for democracy against many of those who are shouting now, including some of these magazines that openly supported the military dictatorship."

#### BANESTADO AND IBSEN PINHEIRO

17. (SBU) Two recent cases have brought the issue of journalistic ethics into focus. The first is the Banestado scandal, a long-running congressional inquiry into a massive money-laundering scheme. In recent weeks there has been a steady stream of leaks --both substantiated and not-- from confidential banking records collected by the inquiry.

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Central Bank President Henrique Meirelles and Bank of Brazil President Cassio Casseb are among those being tarred by the press for alleged misdeeds (ref A). Workers' Party and administration officials have charged that the PSDB Senator who chairs the inquiry is leaking information for political ends, and that the press is tacitly complicit by not verifying the anonymous allegations. In the second case, this week's "ISTO E" magazine carries a cover story in which a former reporter admits that an error he made in a 1993 story about corruption wrongly led to the expulsion from Congress of Federal Deputy Ibsen Pinheiro. Ironically, the congressional staffer who gave the journalist the false information was none other than Waldomiro Diniz, who in February 2004 was fired from his job as a senior political advisor in Lula's office for soliciting bribes from a numbers racketeer. This fact fuels opposition claims that in the past the PT used anonymous leaks to attack political opponents but now, in power, seeks to stifle the practice.

#### COMMENT - JOURNALISM BILL UNLIKELY TO PASS

18. (SBU) Some of Brazil's older journalists remember the days of self-censorship under the military regime, and they are quick to condemn government efforts to restrict the press. Thus, sensitivity to perceived attempts to limit the press is a healthy part of the consolidation of Brazil's democracy, even if some of the criticism about the Journalism bill comes across as a bit hysterical. And the bill is not necessary. The press here has its strengths and weaknesses, and there are well-used libel laws to address the latter. The national papers are reasonably good, represent a range of editorial perspectives, and have a healthy competition for readers. Thus there is not a pressing need for a set of nationwide councils to "orient, discipline, and oversee" journalists.

19. (SBU) Even before the formal debate has begun in Congress, the bill has generated staunch opposition both within the government coalition and in the opposition parties. It is unlikely to ever win a congressional majority. Its most likely fate is to waste away, unmourned, in a committee or to be pulled out of Congress by the administration for "further review". Politically, the bill is not worth the grief that the administration is getting for it, particularly in advance of October's municipal elections, and when there is good economic news and Lula's popularity has rebounded (ref B). The administration is now drafting an Audiovisual bill to promote domestic film and TV content. The text is not yet public and has not been sent to Congress, but industry

critics say it also injects government interference into  
broadcasting content. Look for this bill to be watered down  
considerably if it ever is sent to Congress.  
DANILOVICH